

PROCTER & GAMBLE CO  
Form 11-K/A  
January 18, 2011

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 11-K/A

- x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED] FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009, OR
- o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED] FOR THE TRANSITION PERIOD FROM FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

Registration number: 333-51223, 333-40264 and 333-108992

- A. Full title of the plan and the address of the plan, if different from that of the issuer named below: Employee Savings and Thrift Plan – Modern Industries Company (Dammam) and Modern Products Company (Saudi Arabia).
- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office: The Procter & Gamble Company, One Procter & Gamble Plaza, Cincinnati, Ohio 45202.

The Trustees of the Employee Savings and Thrift Plan – Modern Industries Company (Dammam) and Modern Products Company (Saudi Arabia) (the "Plan") are filing this Form 11-K/A to file re-audited financial statements that are required to be included in the Plan's Form 11-K for the year ended December 31, 2009. The financial statements were re-audited by a PCAOB-registered public accounting firm.

REQUIRED INFORMATION

The following audited financial statements are enclosed with this report:

1. Statement of financial condition as of fiscal years ended December 31, 2009 and December 31, 2008 of the Plan (or such lesser period as the plan has been in existence).
2. Statement of income and changes in plan equity for each of the fiscal years ended December 31, 2007, December 31, 2008 and December 31, 2009 (or such lesser period as the Plan has been in existence).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Trustees (or other persons who administer the employee benefit plan) have duly caused this Annual Report to be signed on its behalf by the undersigned hereunto duly authorized.

EMPLOYEE SAVINGS AND THRIFT PLAN –  
MODERN INDUSTRIES COMPANY (DAMMAM)  
AND MODERN PRODUCTS COMPANY (SAUDI ARABIA)

Date: January 17, 2011

By: /s/ Al-Wazir

Al-Wazir  
Trustee

By: /s/ Omar Al-Ghamdi

Omar Al-Ghamdi

Trustee

Employee Savings and Thrift Plan —  
Modern Industries Company (Dammam) and  
Modern Products Company (Saudi Arabia)

Financial Statements as of December 31, 2009 and 2008  
and for  
the Years Ended December 31, 2009, 2008 and 2007, and  
Report of Independent Registered Public Accounting Firm



EMPLOYEE SAVINGS AND THRIFT PLAN -  
MODERN INDUSTRIES COMPANY (DAMMAM)  
AND MODERN PRODUCTS COMPANY (SAUDI ARABIA)

TABLE OF CONTENTS

	Page
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	1
FINANCIAL STATEMENTS:	
Statements of Net Assets Available for Plan Benefits as of December 31, 2009 and 2008	2
Statements of Changes in Net Assets Available for Plan Benefits for the Years Ended December 31, 2009, 2008 and 2007	3
Notes to Financial Statements as of December 31, 2009 and 2008 and for the Years Ended December 31, 2009, 2008 and 2007	4-10

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees of the Employee Savings and Thrift Plan - Modern Industries Company (Dammam) and Modern Products Company (Saudi Arabia)

We have audited the accompanying statements of net assets available for plan benefits of the Employee Savings and Thrift Plan - Modern Industries Company (Dammam) and Modern Products Company (Saudi Arabia) (the "Plan") as of December 31, 2009 and 2008, and the related statements of changes in net assets available for plan benefits for each of the three years in the period ended December 31, 2009. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for plan benefits as of December 31, 2009 and 2008, and the changes in net assets available for plan benefits for each of the three years in the period ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP  
Deloitte & Touche LLP

Cincinnati, Ohio  
January 17, 2011

EMPLOYEE SAVINGS AND THRIFT PLAN —  
 MODERN INDUSTRIES COMPANY (DAMMAM)  
 AND MODERN PRODUCTS  
 COMPANY (SAUDI ARABIA)

STATEMENTS OF NET ASSETS  
 AVAILABLE FOR PLAN BENEFITS  
 DECEMBER 31, 2009 AND 2008  
 (Expressed in Saudi Riyals)

	2009	2008
ASSETS:		
Investments — at fair value:		
Cash	4,741,806	4,225,277
The Procter & Gamble Company common stock	36,340,736	34,406,377
The J.M. Smucker Company common stock	50,316	36,121
Loans to participants	47,975	106,845
Total investments	41,180,833	38,774,620
Contributions receivable	440,579	466,326
NET ASSETS AVAILABLE FOR PLAN BENEFITS	41,621,412	39,240,946

See notes to financial statements.





EMPLOYEE SAVINGS AND THRIFT PLAN —  
 MODERN INDUSTRIES COMPANY (DAMMAM)  
 AND MODERN PRODUCTS COMPANY (SAUDI ARABIA)

STATEMENTS OF CHANGES IN NET ASSETS  
 AVAILABLE FOR PLAN  
 BENEFITS  
 YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007  
 (Expressed in Saudi Riyals)

	2009	2008	2007
<b>ADDITIONS:</b>			
Contributions:			
Employees contributions	3,986,538	3,967,772	3,531,859
Companies contributions	1,351,734	1,360,188	1,374,198
Total contributions	5,338,272	5,327,960	4,906,057
Investments (loss) income:			
Realized losses from investments	(405,390)	(39,792)	(18,681)
(Decrease) increase in unrealized appreciation of investment	(692,833)	(8,352,107)	4,889,877
Interest	19,700	64,645	86,147
Dividends	655,870	693,293	609,207
Total investment (loss) income	(422,653)	(7,633,961)	5,566,550
Total additions, net	4,915,619	(2,306,001)	10,472,607
<b>DEDUCTIONS — Distributions to and withdrawals by participants</b>	(2,535,153)	(5,082,925)	(4,559,107)
<b>NET INCREASE (DECREASE)</b>	2,380,466	(7,388,926)	5,913,500
<b>NET ASSETS AVAILABLE FOR PLAN BENEFITS:</b>			
Beginning of year	39,240,946	46,629,872	40,716,372
End of year	41,621,412	39,240,946	46,629,872

See notes to financial statements.



EMPLOYEE SAVINGS AND THRIFT PLAN —  
MODERN INDUSTRIES COMPANY (DAMMAM)  
AND MODERN PRODUCTS COMPANY (SAUDI ARABIA)

NOTES TO FINANCIAL STATEMENTS AS OF DECEMBER 31, 2009 AND 2008 AND  
FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007  
(Expressed in Saudi Riyals)

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1. PLAN DESCRIPTION AND RELATED MATTERS

The following brief description of the Employee Savings and Thrift Plan for Modern Industries Company (Dammam) and Modern Products Company (Saudi Arabia), which is centrally administered as the Savings and Thrift Plan (Saudi Arabia) of The Procter & Gamble Company (the “Plan”), is provided for general information purposes only. Participants should refer to plan documents for more complete information.

The Plan is not subject to any provisions of the United States Employee Retirement Income Security Act of 1974, nor is it qualified under the United States Internal Revenue Code Section 401(a).

Trustees — The Trustees of the Plan include the chairman of Modern Industries Company (Dammam) and Modern Products Company (collectively, the “Companies”) and nominated managers of the Companies.

Eligibility — Any permanent employee who has been on the payrolls of the Companies for more than 12 months is eligible to participate in the Plan.

Member’s Accounts — An Employee Account and a Company Account are maintained for each member. The Employee Account includes a member’s contributions, decreased by all withdrawals and increased by all repayments of withdrawals. Interest income and net dividends related to a member’s contributions are credited to the Employee Account. The Company Account includes contributions made by the Companies and net dividends related to the Companies’ contributions.

Employee Contributions — Basic deductions of 5% of base salary are contributed monthly by the members. The member has the option to invest these contributions in one of the following investment programs offered by the Plan:

- Invest the full amount to purchase The Procter & Gamble Company (“P&G”) securities.
  - Invest the full amount in bank deposits.
- Invest 50% of the amount to purchase P&G securities, and 50% in bank deposits.

The numbers of participating employees under each of the aforementioned programs at December 31, 2009 were 257, 75 and 9 (2008: 255, 75 and 12; 2007: 195, 42 and 61), respectively. Members may elect to contribute an additional 1% to 10% of their monthly salary. These additional contributions are not matched by the Companies and can only be invested in P&G securities.

Companies' Contributions — The Companies credit each member with an amount ranging from 25% to 100% of the basic amount contributed by the employee, depending on the member's length of continuous service, with the rate reaching 100% after ten years of continuous service.

Earnings — Net dividends earned are used to purchase P&G securities, which are credited to the Member’s Accounts. Interest income is allocated amongst the members of the Plan in proportion to their investments in bank deposits.

Vesting — The members are fully vested in their Employee Accounts and earnings thereon. Members become 30% vested in the Companies’ contributions after the first three full years from the date of their membership in the Plan, or renewed membership (see Withdrawals), with the rate reaching 100% after ten full years of such membership as follows:

From date of membership Or renewed membership	Vesting Percentage
Full 3 years	30%
Full 4 years	40%
Full 5 years	50%
Full 6 years	60%
Full 7 years	70%
Full 8 years	80%
Full 9 years	90%
Full 10 years	100%

Withdrawals — Withdrawals may be made from the member’s Employee Account at any time the member chooses to, up to the extent of Employee Contributions, the vested portion of the Companies’ Contributions and all relevant profits thereon.

The non-vested portion of the Companies’ Contributions and relevant profits are placed in a frozen account that will continue to be vested according to the vesting schedule. These are paid to the employee on separation from the Companies unless the employee meets the criteria for forfeiture (see Forfeitures). The employee may rejoin the Plan after a one-year waiting period from the first withdrawal and a two-year waiting period for every subsequent withdrawal.

Loans — An existing member who has at least five years of membership is eligible to borrow from the Plan up to an amount that varies with the member’s monthly base salary and length of service. The maximum loan amount cannot exceed 50% of the balance in the Employee’s Account (including gains on securities) or six month’s salary, whichever is less. Repayment of the loan is made by monthly payroll deductions. The member may elect to repay the outstanding loan in a lump sum at any time.

Forfeitures — When members leave the Plan without the requirement for full vesting (see Vesting) for a reason other than transfer out, death or disability, the non-vested Companies’ Contributions and relevant profits are forfeited. The forfeited amount is divided amongst the existing members using the same formula as the Companies’ Contributions (see Companies Contributions).

Transferability — The Plan is 100% transferable between the Companies.

Costs of the Plan — All administrative costs of the Plan are paid by the Companies.

The J.M. Smucker Company Common Stock — In May of 2002, the Jif peanut butter and Crisco shortening brands were spun-off to P&G shareholders and subsequently merged into The J.M. Smucker Company (“Smucker”). As a result of the spin-off, participants holding P&G common stock received one share of Smucker stock for every fifty shares of

P&G stock. The cost basis of the P&G common stock prior to the Smucker spin-off was allocated between P&G common stock held and the Smucker common stock received. Participants are not permitted to purchase additional shares of Smucker.

Plan Amendment – The Companies have the right to amend the Plan at any time. However, no amendment can reduce the vested amount of any Member's Account.

## 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

**Use of Estimates** — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Risks and Uncertainties** — Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with P&G securities, it is reasonably possible that changes in the value of P&G securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for plan benefits and statements of changes in net assets available for plan benefits.

**Valuation of Investments** — The Plan's investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investments in P&G and The J.M. Smucker Company securities are valued at the closing price on the New York Stock Exchange. Bank deposits are stated at cost. Loans to participants are valued at amortized cost which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

**Interest Income** — Interest income represents interest earned on bank deposits.

**Foreign Currency Translation** — The Plan's primary currency is the Saudi Riyal. Non-Saudi Riyal investments are translated into Saudi Riyals at the exchange rates in effect on the last day of the Plan's year. Earnings in foreign currencies other than the Saudi Riyals are translated at average rates prevailing during the year. Exchange gains or losses for 2009, 2008 and 2007 were not significant.

**New Accounting Standards Adopted** — The accounting standards initially adopted in the 2009 financial statements described below affected certain note disclosures but did not impact the statements of net assets available for plan benefits or the statement of changes in net assets available for plan benefits.

**Accounting Standards Codification** — The Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) became effective on July 1, 2009. At that date, the ASC became the FASB's official source of authoritative U.S. generally accepted accounting principles (GAAP) applicable to all public and nonpublic nongovernmental entities, superseding existing guidance issued by the FASB, the American Institute of Certified Public Accountants (AICPA), the Emerging Issues Task Force (EITF) and other related literature. The FASB also issues Accounting Standards Updates (ASU). An ASU communicates amendments to the ASC. An ASU also provides information to help a user of GAAP understand how and why GAAP is changing and when the changes will be effective.

**Subsequent Events** — In May 2009, the FASB issued ASC 855 (originally issued as FASB Statement No. 165, Subsequent Events) to establish general standards of accounting for and disclosing events that occur after the balance sheet date, but prior to the issuance of financial statements. ASC 855 provides guidance on when financial statements should be adjusted for subsequent events and requires companies to disclose subsequent events and the date through which subsequent events have been evaluated. ASC 855 is effective for periods ending after June 15, 2009.

**Updates to Fair Value Measurements and Disclosures** — In 2009, FASB Staff Position 157-4, Disclosures Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly, was issued and later codified into ASC 820, which expanded disclosures and required that each major category for debt and equity securities in the fair value hierarchy table be determined on the basis of the nature and risks of the investments.

**New Accounting Standards to Be Adopted** — In January 2010, the FASB issued ASU No. 2010-06, Fair Value Measurements and Disclosures, which amends ASC 820 (originally issued as FASB Statement No. 157, Fair Value Measurements), adding new disclosure requirements for Levels 1 and 2, separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements and clarification of existing fair value disclosures. ASU No. 2010-06 is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The Plan is currently evaluating the impact ASU No. 2010-06 will have on the financial statements.



## 3. INVESTMENTS

The investments held by the Plan as of December 31, 2009, 2008 and 2007, and the unrealized appreciation for the years ended December 31, 2009, 2008 and 2007 were as follows (in Saudi Riyals):

	2009	2008	2007
a) Procter & Gamble Company common stock:			
Number of shares	160,978	149,455	154,090
Market value	36,340,736	34,406,377	42,211,097
Cost	(27,607,337)	(24,965,276)	(24,429,136)
Unrealized appreciation	8,733,399	9,441,101	17,781,961
(Decrease) increase in unrealized appreciation	(707,702)	(8,340,860)	4,892,665
b) J. M. Smucker Company:			
Number of shares	219	224	301
Market value	50,316	36,121	57,743
Cost	(29,508)	(30,182)	(40,557)
Unrealized appreciation	20,808	5,939	17,186
Increase (decrease) in unrealized appreciation	14,869	(11,247)	(2,788)
(Decrease) increase in unrealized appreciation of investment	(692,833)	(8,352,107)	4,889,877

The realized gain on sales of Procter & Gamble Company common stock for the years ended December 31, 2009, 2008, and 2007, was determined as follows (in Saudi Riyals):

	2009	2008	2007
Proceeds on sales of shares	2,295,209	4,597,144	5,527,754
Cost	(2,700,599)	(4,636,936)	(5,546,435)
Realized losses	(405,390)	(39,792)	(18,681)

#### 4. FAIR VALUE MEASUREMENTS

In accordance with FASB Accounting Standards Codification 820, the Plan classifies investments into Level 1, which refers to securities valued using quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following table sets forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2009 and 2008 (in Saudi Riyals).

	Fair Value Measurements as of December 31, 2009, Using			Total
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Cash	4,741,806	-	-	4,741,806
Procter & Gamble Company				
Common Stock	36,340,736	-	-	36,340,736
J.M. Smucker Company				
Common Stock	50,316	-	-	50,316
Participant loans	-	47,975	-	47,975
Total	41,132,858	47,975	-	41,180,833

	Fair Value Measurements as of December 31, 2008, Using			Total
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Cash	4,225,277	-	-	4,225,277
Procter & Gamble Company				
Common Stock	34,406,377	-	-	34,406,377
J.M. Smucker Company				
Common Stock	36,121	-	-	36,121
Participant loans	-	106,845	-	106,845
Total	38,667,775	106,845	-	38,774,620

## 5. RELATED-PARTY TRANSACTIONS

At December 31, 2009 and 2008, the Plan held 160,978 and 149,455 shares, respectively, of common stock of The Procter & Gamble Company, an affiliate, with a cost basis of SR 27,607,337 and SR 24,965,276, respectively. During the years ended December 31, 2009, 2008, and 2007, the Companies contributed SR 1,351,734, SR 1,360,188, and SR 1,374,198, respectively, to the Plan on behalf of participating employees.

During the years ended December 31, 2009, 2008, and 2007, the Plan recorded dividend income from these common stock of SR 655,074, SR 692,424, and SR 608,088, respectively.

## 6. TAXES

Currently, there are no personal income taxes in Saudi Arabia. Should they be introduced any time in the future, the Plan requires that such taxes be borne by the members.

Dividends on P&G securities are credited to members net of a 30% withholding tax by the government of the United States of America.

## 7. PLAN TERMINATION

Although it has not expressed any intention to do so, the Companies may discontinue contributions at any time and may terminate the Plan subject to the provisions set forth in the Plan documents. In the event that the Plan is terminated, participants would become 100% vested in their accounts.



